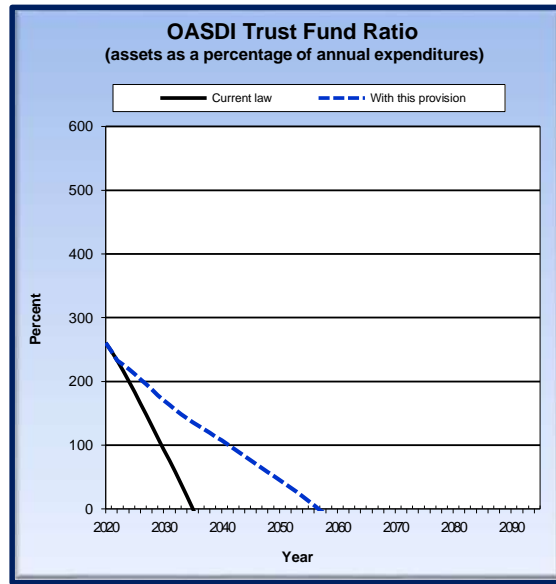
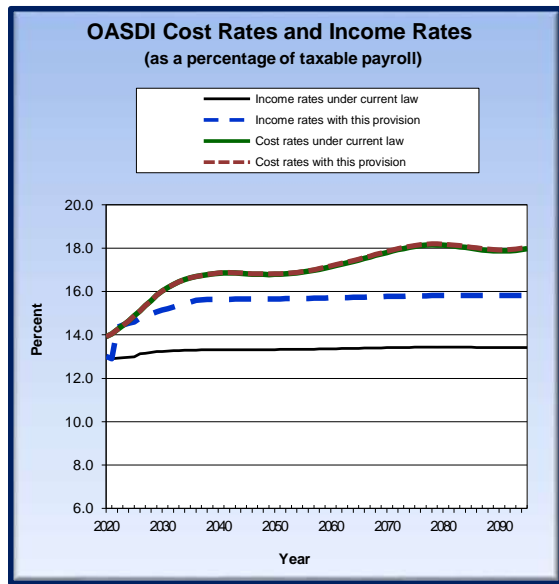


## Summary Measures and Graphs

### Category of Change: Payroll Taxes (including maximum taxable)

*Proposed Provision: E2.14. Apply OASDI 12.4 percent payroll tax rate on earnings above \$250,000 starting in 2022, and tax all earnings once the current-law taxable maximum exceeds \$250,000. Provide benefit credit for earnings above the current-law taxable maximum that are subject to the payroll tax, using a secondary PIA formula. This secondary PIA formula involves: (1) an "AIME+" derived from annual earnings from each year after 2021 that were in excess of that year's current-law taxable maximum; and (2) a formula factor of 2 percent on this newly computed "AIME+".*

| Current law<br>[percent of payroll] |                                   | Change from current law<br>[percent of payroll] |                                   | Shortfall eliminated               |                                   |
|-------------------------------------|-----------------------------------|---|-----------------------------------|------------------------------------|-----------------------------------|
| Long-range<br>actuarial<br>balance  | Annual<br>balance in<br>75th year | Long-range<br>actuarial<br>balance              | Annual<br>balance in<br>75th year | Long-range<br>actuarial<br>balance | Annual<br>balance in<br>75th year |
| -3.21                               | -4.51                             | 2.14  | 2.34                              | 67%                                | 52%                               |



Estimates based on the intermediate assumptions of the 2020 Trustees Report

Office of the Chief Actuary  
Social Security Administration  
May 19, 2020